

U.S. Census Bureau News

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MANUFACTURING AND TRADE INVENTORIES AND SALES July 2006

Special Notice – Beginning with the December 13, 2006 release for October 2006, retail and wholesale data in this report will be based on a new sample. New samples for the Monthly Retail and Wholesale Trade Surveys are selected about once every five years. For further information on the sample revision, see our website at <http://www.census.gov/bussales>.

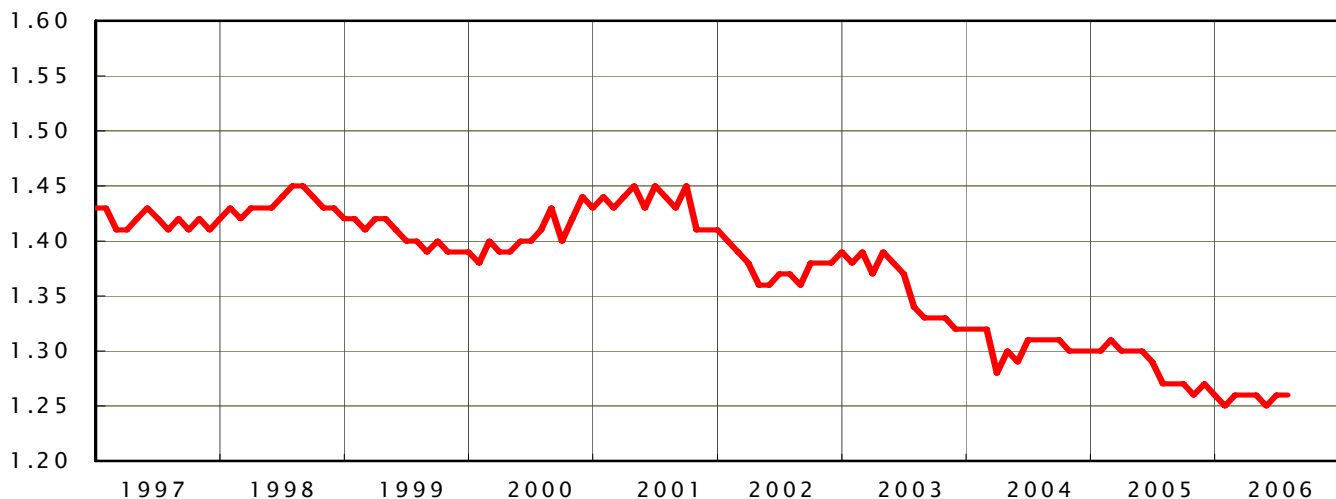
Sales. The U.S. Census Bureau announced today that the combined value of distributive trade sales and manufacturers' shipments for July, adjusted for seasonal and trading-day differences but not for price changes, was estimated at \$1,067.7 billion, up 0.6 percent ($\pm 0.2\%$) from June and up 8.1 percent ($\pm 0.3\%$) from July 2005.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,347.3 billion, up 0.6 percent ($\pm 0.1\%$) from June and up 7.4 percent ($\pm 0.4\%$) from July 2005.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of July was 1.26. The July 2005 ratio was 1.27.

Total Business Inventories/Sales Ratios: 1997 to 2006

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for August is scheduled to be released October 13, 2006 at 10:00 a.m. EDT.

For information, visit the Census Bureau's Web site at <http://www.census.gov/bussales>. This report is also available the day of issue through the Department of Commerce's STAT-USA (202-482-1986).

* The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	Jul. 2006	Jun. 2006	Jul. 2005	Jul. 2006	Jun. 2006	Jul. 2005	Jul. 2006	Jun. 2006	Jul. 2005
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted²									
Total business.....	1,067,663	1,061,409	987,959	1,347,284	1,339,593	1,254,982	1.26	1.26	1.27
Manufacturers ³	403,949	403,835	375,769	473,038	470,001	447,555	1.17	1.16	1.19
Retailers.....	332,041	327,208	317,599	492,266	490,495	456,459	1.48	1.50	1.44
Merchant wholesalers.....	331,673	330,366	294,591	381,980	379,097	350,968	1.15	1.15	1.19
Not Adjusted									
Total business.....	1,021,496	1,111,613	946,911	1,333,447	1,332,427	1,242,003	1.31	1.20	1.31
Manufacturers ³	372,307	430,567	345,443	476,584	467,923	450,132	1.28	1.09	1.30
Retailers.....	331,842	336,885	319,462	475,012	486,776	441,084	1.43	1.44	1.38
Merchant wholesalers.....	317,347	344,161	282,006	381,851	377,728	350,787	1.20	1.10	1.24

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Jul. 06/ Jun. 06	Jun. 06/ May 06	Jul. 06/ Jul. 05	Jul. 06/ Jun. 06	Jun. 06/ May 06	Jul. 06/ Jul. 05	Jul. 06/ Jun. 06	Jun. 06/ May 06	Jul. 06/ Jul. 05	Jul. 06/ Jun. 06	Jun. 06/ May 06	Jul. 06/ Jul. 05
Total business.....	0.6	0.2	8.1	0.6	0.9	7.4	-8.1	1.1	7.9	0.1	0.3	7.4
Manufacturers.....	0.0	-0.1	7.5	0.6	0.9	5.7	-13.5	3.3	7.8	1.9	-0.3	5.9
Retailers.....	1.5	-0.5	4.5	0.4	0.9	7.8	-1.5	-1.9	3.9	-2.4	0.2	7.7
Merchant wholesalers..	0.4	1.2	12.6	0.8	0.8	8.8	-7.8	1.5	12.5	1.1	1.4	8.9

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		Jul. 2006 (p)	Jun. 2006 (r)	Jul. 2005 (s)	Jul. 2006 (p)	Jun. 2006 (r)	Jul. 2005 (s)	Jul. 06/ Jun. 06	Jun. 06/ May 06	Jul. 06/ Jul. 05	Jul. 06	Jun. 06	Jul. 05
	Adjusted ²												
	Retail trade, total.....	332,041	327,208	317,599	492,266	490,495	456,459	0.4	0.9	7.8	1.48	1.50	1.44
	Total (excl. motor veh. & parts).....	255,905	254,234	235,193	328,303	327,415	314,241	0.3	0.5	4.5	1.28	1.29	1.34
441	Motor vehicle & parts dealers.....	76,136	72,974	82,406	163,963	163,080	142,218	0.5	1.6	15.3	2.15	2.23	1.73
442,3	Furniture, home furn., elect. & appl. stores.....	18,876	18,815	17,604	31,487	31,417	30,028	0.2	0.4	4.9	1.67	1.67	1.71
444	Building materials, garden equip & supplies.....	29,721	29,634	27,290	48,285	47,821	44,414	1.0	0.7	8.7	1.62	1.61	1.63
445	Food & beverage stores.....	45,617	45,428	43,229	34,369	34,274	33,336	0.3	0.3	3.1	0.75	0.75	0.77
448	Clothing & clothing access. stores.....	17,933	17,765	16,597	44,315	44,301	41,995	0.0	0.2	5.5	2.47	2.49	2.53
452	General merchandise stores.....	46,040	45,940	43,906	73,564	72,931	72,702	0.9	0.5	1.2	1.60	1.59	1.66
4521	Dept. str. (excl. leased depts.).....	17,574	17,672	17,834	35,918	35,780	37,702	0.4	-0.3	-4.7	2.04	2.02	2.11
	Not Adjusted												
	Retail trade, total.....	331,842	336,885	319,462	475,012	486,776	441,084	-2.4	0.2	7.7	1.43	1.44	1.38
	Total (excl. motor veh. & parts).....	250,111	255,348	231,148	320,787	319,716	307,003	0.3	0.0	4.5	1.28	1.25	1.33
441	Motor vehicle & parts dealers.....	81,731	81,537	88,314	154,225	167,060	134,081	-7.7	0.5	15.0	1.89	2.05	1.52
442,3	Furniture, home furn., elect. & appl. stores.....	18,011	18,279	16,913	30,763	30,789	29,307	-0.1	0.5	5.0	1.71	1.68	1.73
444	Building materials, garden equip & supplies.....	30,266	33,982	27,808	47,464	48,251	43,659	-1.6	-1.7	8.7	1.57	1.42	1.57
445	Food & beverage stores.....	46,666	45,744	44,635	33,704	34,033	32,713	-1.0	0.7	3.0	0.72	0.74	0.73
448	Clothing & clothing access. stores.....	16,341	16,606	15,271	44,138	43,282	41,827	2.0	1.0	5.5	2.70	2.61	2.74
452	General merchandise stores.....	43,862	44,684	42,106	70,156	68,943	69,371	1.8	-1.3	1.1	1.60	1.54	1.65
4521	Dept. str. (excl. leased depts.).....	15,969	16,666	16,286	33,978	33,204	35,666	2.3	-3.0	-4.7	2.13	1.99	2.19

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.